

AUDIT REPORT

Travel Audit of Salt Lake County Library Services

OCTOBER 2024



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County Auditor

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AUDITOR'S LETTER

October 2024

I am pleased to present our audit of the Salt Lake County Library Services travel expenditures for the period from January 1, 2022, to December 31, 2022. The objectives of this audit were to examine Salt Lake County Library Services travel booking processes and provide reasonable assurance that county employees comply with applicable travel policies when booking travel, and that an analysis is performed to determine if alternative forms of communication were considered before incurring travel expenses.

Our audit identified one deficiency in Library Services' travel booking processes in an instance of airfare cost increasing more than \$200 from the initially approved amount. There was no documentation of secondary approvals either retained or uploaded with the travel packet documentation.

We strongly recommend that Library Services promptly review and implement the detailed recommendations in the attached audit report. Promptly addressing this issue is crucial to safeguarding the operating and financial integrity of the county.

This audit was authorized under Utah Code Title 17, Chapter 19a "County Auditor", Part 2, "Powers and Duties". We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

We appreciate the cooperation of all involved personnel during this audit. For further details, please refer to the enclosed detailed audit report. Should you require any further information or clarification, please do not hesitate to contact me at 385-468-7200.

Chris Harding, CPA, CFE, CIA
Salt Lake County Auditor

CONTENTS

RISK CLASSIFICATIONS.....	6
BACKGROUND	7
OBJECTIVES AND SCOPE.....	7
AUDIT CRITERIA	8
METHODOLOGY.....	8
CONCLUSIONS.....	9
FINDING 1: LACK OF SECONDARY APPROVAL FOR AIRFARE PURCHASED THAT EXCEEDED \$200 MORE THAN THE INITIALLY APPROVED AIRFARE COST	10
COMPLETE LIST OF AUDIT RECOMMENDATIONS	12
AGENCY RESPONSE	13



TRAVEL AUDIT OF SALT LAKE COUNTY LIBRARY SERVICES

OCTOBER 2024

Objectives

The audit objectives were to examine Salt Lake County Library Services travel booking processes and provide reasonable assurance that:

- County employees comply with applicable travel policies when booking travel.
- An analysis is performed to determine if alternative forms of communication were considered before incurring travel expenses.

The scope of the audit was from January 1, 2022, to December 31, 2022.

REPORT HIGHLIGHTS

Lack of secondary approval for airfare purchased that exceeded \$200 more than the initially approved airfare cost

For one out of six (17%) airfares purchased for employee travel, there was no documentation of secondary approvals retained or uploaded with travel packet documentation when the airfare cost increased more than \$200 from the initially approved amount. Secondary approval is required if the cost exceeds \$100 of the approved pricing per Salt Lake County Mayor's Operations Travel Instructions and Checklist.



Finding Risk Classifications

Classification	Description
<p>1 – Low Risk Finding</p>	<p>Low risk findings may have an effect on providing reasonable assurance that County employees are following all travel policies when booking travel.</p> <p>Recommendations may or may not be given to address the issues identified in the final audit report. If recommendations are given, management should try to implement the recommendations within one year of the final audit report date if possible. Follow-up audits may or may not focus on the status of implementation.</p>
<p>2 – Moderate Risk Finding</p>	<p>Moderate risk findings may have an effect on whether there is reasonable assurance that County employees are following all travel policies when booking travel.</p> <p>Recommendations will be given to address the issues identified in the final audit report. Management should implement the recommendations within one year of the final audit report date if possible. Follow-up audits will focus on the status of implementation.</p>
<p>3 – Significant Risk Finding</p>	<p>Significant risks are the result of one or more findings that may have an effect on whether there is reasonable assurance that County employees are following all travel policies when booking travel.</p> <p>Recommendations will include necessary corrective actions that address the significant risks identified in the final audit report. Management should implement the recommendations within six months of the final audit report date if possible. Follow-up audits will focus on the status of implementation.</p>
<p>4 – Critical Risk Finding</p>	<p>Critical risks are the result of one or more findings that would have an effect on whether there is reasonable assurance that County employees are following all travel policies when booking travel.</p> <p>Recommendations will include necessary corrective actions that address the critical risks identified in the final audit report. Management should implement the recommendations as soon as possible. Follow-up audits will focus on the status of implementation.</p>

BACKGROUND

The Salt Lake County Auditor’s Audit Services Division completed a limited-scope financial audit of the Salt Lake County Library Services travel expenditures for the period of January 1, 2022, to December 31, 2022. The audit was performed in conjunction with a Countywide Audit of Travel Expenditures, focusing on eight County agencies.

Agencies in Scope	
Aging and Adult Services	Library Services
County Council	Mayor’s Office Administration
District Attorney	Office of Regional Development
Health Department	Sheriff’s Office

For the audit period, Salt Lake County Library Services had a total of six employees that traveled, and a total cumulative travel expense of \$20,336.03.¹

Salt Lake County Library Services provides opportunities for employees to attend professional development related to learning and development. The agency Travel Coordinator and alternative Travel Coordinator are responsible for managing and processing travel arrangements for employees. This includes coordinating flights and hotel bookings, processing travel related expenditures, calculating and processing mileage and per diem reimbursements, and complying with County travel policies and procedures.

OBJECTIVES AND SCOPE

The audit objectives were to examine Salt Lake County Library Services travel booking processes and provide reasonable assurance that:

- County employees comply with applicable travel policies when booking travel.
- An analysis is performed to determine if alternative forms of communication were considered before incurring travel expenses.

The scope of the audit was from January 1, 2022, to December 31, 2022.

¹ Source: “Expenditure Detail Report – Excel Workbook: PB605_Excel.xlsx”. PageCenterX. 12/31/2022. The total cumulative travel expense figure encompasses travel expenditures processed within the fiscal year 2022. It excludes transactions processed in late 2021 for travel that took place in 2022, which were included in the audit. It includes transactions processed in late 2022 for travel occurring in 2023, which were excluded in the audit.

AUDIT CRITERIA

Salt Lake County Countywide Policy and Procedures 1019: Authorization and Payment of Travel Related Expenses establishes policy and procedures that provide guidance regarding but not limited to:

- Initiation and approval of Travel Requests
- Travel request procedures for booking airfare, hotels, registration, or calculating vehicle mileage
- Maintaining Travel Records
- Processing Travel Allowance Forms and Travel Expenditure Reports

Salt Lake County Mayor's Operations Travel Instructions and Checklist, developed by Mayor Operations. The procedures establish guidelines for completing travel forms, obtaining signatures for approval, arranging travel plans, and processing per diem. The agencies in scope that were subject to the Salt Lake County Mayor's Operations Travel Instructions and Checklist were Aging and Adult Services, Health Department, the Office of Regional Development and Library Services.

Salt Lake County Countywide Policy 7035: Purchasing Cards Authorization and Use, establishes guidelines and procedures for the issuances, authorization, and use of the county purchasing card (PCard) by county agencies. Procedures include:

- Documentation is required for each transaction
- Supporting documentation for each transaction shall be retained according to county retention schedule AR-001.

METHODOLOGY

We used several methodologies to gather and analyze information related to our audit objectives. The methodologies included but were not limited to:

1. Met with agency personnel to gain an understanding of travel procedures and agency controls in place over the travel approvals and booking process. Processes observed and described were documented and agreed upon.
2. Obtained and reviewed documentation from the County's financial system and from agency contacts. The documents examined included the Request for Travel Allowance Forms, Travel Request Addendums, Airline Ticket Arrangement Forms, purchasing (PCard) cardholder statements, PCard transaction detail reports, airfare/hotel invoices, program/conference booking invoices and confirmations, and emails.
3. Performed unannounced on-site testing for controls over PCard

- security.
4. Reviewed the U.S General Services Administration (GSA) rates for per diem and mileage reimbursements.

CONCLUSIONS

During the audit period, we determined that Salt Lake County Library Services considers alternative forms of communication with the use of the Salt Lake County Community Services Travel Request Addendum. Travelers document whether a virtual option is available for the conference or training and why attending the conference is beneficial for the agency.

Additionally, we identified an instance of non-compliance with the controls set forth within the Salt Lake County Mayor's Operations Travel Instructions and Checklist. We found that the travel coordinator did not notify the Department Travel Coordinator to discuss and receive secondary approval when an airfare booking exceeded the initially approved airfare costs by \$200.

As a result, there is a potential for the budgeted travel costs to have unexpected increased airfare costs when appropriate controls over approvals and travel documentation are not complied with. It is crucial that Management obtain and document necessary approvals when travel costs exceed the approved cost. These policies and procedures are intended to provide guidance for paying, approving, and processing employee travel expenses.

FINDING 1 AND RECOMMENDATIONS

Lack of Secondary Approval for Airfare Purchased that Exceeded \$200 more than the Initially Approved Airfare Cost

Risk Rating: Low Risk Rating

When the employee's airfare costs exceed the initially quoted amount by more than \$100 at the time of purchase, the individual must obtain approval from the department level travel coordinator before proceeding with the purchase. We found that for one out of six (17%) airfares purchased, there was no documentation of secondary approvals retained or uploaded with travel packet documentation for the increased airfare cost. The initial approvals for the quoted amounts were obtained in late March 2022 from the department level travel coordinator and invoice documentation showed the airfare was purchased on April 18, 2022, for almost \$200 more than the initially approved amounts.

Salt Lake County Mayor's Operations Travel Instructions and Checklist, Section 1: Transportation, states:

"Important: If you get the travel document back from the Department and find that the airfare cost has increased more than \$100, e-mail your Department level travel coordinator and ask for permission to proceed. Attach this e-mail to your travel documentation before sending to AP"

Management stated they were not aware that approval documentation needed to be retained and uploaded with the travel packet supporting documentation when airfare cost increases occurred. In the past this type of approval was obtained through verbal communication. Since the initiation of the Countywide Travel Expense Audit the Library Travel Coordinator indicated that the agency updated their process to receive written communication of these additional approvals with the travel packet documentation.

Inadequate oversight of airfare costs increases the risk of exceeding the agency's travel budget if not appropriately approved and documented by Management. Additionally, the lack of compliance with internal travel procedures to notify the Department Level Travel Coordinator for approval weakens the effectiveness of the control ensuring that significant price increases are reviewed and approved when airfare costs exceed \$100.

1.1

RECOMMENDATION

Airfare Cost Approval

We recommend that Management comply with the Salt Lake County Mayor’s Operations Travel Instructions and Checklist and retain secondary approval documentation of airfares, if at the time of booking, it increases by more than \$100 from the approved quoted amount.

AGENCY RESPONSE:

IMPLEMENTATION DATE:

SEE PAGE XX FOR THE AGENCY’S FULL RESPONSE TO OUR RECOMMENDATION

1.2

RECOMMENDATION

Annual Travel Training

We recommend that Management have the Travel Coordinators complete an annual review of Countywide Policy 1019: Travel Authorization and Payment of Travel Related Expenses and Salt Lake County Mayor’s Operations Travel Instructions and Checklist. Documentation should be retained acknowledging the Travel Coordinator’s review and understanding of the Travel booking procedures.

AGENCY RESPONSE:

IMPLEMENTATION DATE:

SEE PAGE XX FOR THE AGENCY’S FULL RESPONSE TO OUR RECOMMENDATION

1.3

RECOMMENDATION

Timely Booking

We recommend that Management book airfare as soon as approval is received, no more than 24 hours after approval, to receive the most cost-effective airfare. If necessary, assign an alternative designee to book flights as approval is received.

AGENCY RESPONSE:

IMPLEMENTATION DATE:

SEE PAGE XX FOR THE AGENCY’S FULL RESPONSE TO OUR RECOMMENDATION

Complete List of Audit Recommendations

This report made the following 3 recommendations.

RECOMMENDATION 1.1:

We recommend that Management comply with the Salt Lake County Mayor's Operations Travel Instructions and Checklist and retain secondary approval documentation of airfares, if at the time of booking, it increases by more than \$100 from the approved quoted amount.

RECOMMENDATION 1.2:

We recommend that Management have the Travel Coordinators complete an annual review of Countywide Policy 1019: Travel Authorization and Payment of Travel Related Expenses and Salt Lake County Mayor's Operations Travel Instructions and Checklist. Documentation should be retained acknowledging the Travel Coordinator's review and understanding of the Travel booking procedures.

RECOMMENDATION 1.3:

We recommend that Management book airfare as soon as approval is received, no more than 24 hours after approval, to receive the most cost-effective airfare. If necessary, assign an alternative designee to book flights as approval is received.

AGENCY RESPONSE



Jenny Wilson, Salt Lake County Mayor
Robin Chalhouh, Community Services Director
Joey McNamee, Library Director

10/15/2024
Auditor Chris Harding, CPA
Office of the Auditor
Salt Lake County
2001 S State Street
Salt Lake City, UT 84121

Auditor Harding,

The Library has reviewed your report of the Salt Lake County Library Services travel expenditures for the period of January 1, 2022, to December 31, 2022.

We are pleased to see the overwhelming majority of travel expenses followed appropriate procedures and protocols, and the single finding is related to a modest increase in airfare charges between the time of approval and the time of booking. The Library has already implemented necessary measures to prevent the error from occurring again.

Please find our response below to each of the recommendations made in your report.

AUDIT FINDING 1: Lack of Secondary Approval for Airfare Purchased that Exceeded \$200 more than the Initially Approved Airfare Cost

RECOMMENDATION 1.1: We recommend that Management comply with the Salt Lake County Mayor's Operations Travel Instructions and Checklist and retain secondary approval documentation of airfares, if at the time of booking, it increases by more than \$100 from the approved quoted amount.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	Complete	Kathy Christiansen, Fiscal Coordinator

The current process for the library is to get an email approval for airfare increases beyond what is stated in the current procedure and include that approval with the travel documentation.

RECOMMENDATION 1.2: We recommend that Management have the Travel Coordinators complete an annual review of Countywide Policy 1019: Travel Authorization and Payment of Travel Related Expenses and Salt Lake County Mayor’s Operations Travel Instructions and Checklist. Documentation should be retained acknowledging the Travel Coordinator’s review and understanding of the Travel booking procedures.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	12/01/2024	Emily Bullough, Education Program Manager/Kathy Christiansen, Fiscal Coordinator

The library will add a training in SABA for those involved with the travel process to review annually.

RECOMMENDATION 1.3: We recommend that Management book airfare as soon as approval is received, no more than 24 hours after approval, to receive the most cost-effective airfare. If necessary, assign an alternative designee to book flights as approval is received.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 60 to 90 days)	Name and Title of specific point of contact for implementation
Agree	Complete	Emily Bullough, Education Program Manager/Kathy Christiansen, Fiscal Coordinator

The Library’s current process is to book the airfare as soon as reasonably possible after receiving final approvals. The process can be delayed due to coordination with the traveler and the outside vendor we utilize for booking the airfare.

The Library is committed to providing exceptional service to residents of Salt Lake County. We value the audit process as a tool to help maintain accountability to our patrons and taxpayers.

Sincerely,


Joey McNamee
Library Director

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